Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

News Media Information 202 / 418-0500 Fax-On-Demand 202 / 418-2630 TTY 202 / 418-2555 Internet: http://www.foc.gov

DA 04-3981

Released: December 20, 2004

DOMESTIC SECTION 214 APPLICATION FILED FOR TRANSFER OF CONTROL OF ONESTAR LONG DISTANCE, INC. TO TELRITE CORPORATION

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 04-396

Comments Due: January 3, 2005

Reply Comments Due: January 10, 2005

On September 28, 2004, OneStar Long Distance, Inc. ("OneStar")¹ filed an application pursuant to sections 63.03 and 63.04 of the Commission's rules² requesting approval to transfer control of OneStar to Telrite Corporation ("Telrite") (collectively, "Applicants").³

Applicants assert that this transaction is entitled to presumptive streamlined treatment consistent with section 63.03(b)(2)(i) of the Commission's rules because (1) the transaction would result in Telrite, the Transferee, having a market share in the interstate, interexchange market of less than 10 percent; (2) Telrite would provide competitive telephone exchange services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to this proposed transaction; and (3) neither of the Applicants is dominant with respect to any service.⁴

Pursuant to 63.03(d)(2), OneStar notified the Commission that on February 3, 2004, OneStar filed for Chapter 11 protection, thereby effectuating a pro forma transfer of control of its International and Domestic 214 authority from OneStar Long Distance, Inc. to OneStar Long Distance, Inc., Debtor-in-Possession. See Letter from EllenAnn G. Sands, counsel for OneStar, to James Ball, FCC (Nov. 29 2004) (Amendment Letter).

² 47 C.F.R §§ 63.03, 63.04; see 47 U.S.C. § 214.

Applicants are also filing an application for consent to transfer control of authorization for international services. Any action on this domestic 214 application is without prejudice to Commission action on other related pending applications.

⁴ 47 C.F.R. § 63.03(b)(2)(i).

Both Telrite and OneStar are non-dominant carriers that resell domestic and international long distance service from various facilities-based carriers. Telrite and OneStar are authorized by the FCC to offer domestic interstate and international services in forty-eight (48) states and the District of Columbia. Telrite is wholly owned by Darryl Davis, a U.S. citizen. OneStar is wholly owned by OneStar Holdings, Inc.⁵ The following individuals are 10% or greater indirect owners of OneStar Holdings, Inc.: Alan J. Powers, 23.37%; and Michael W. Hanus, 14.98%.⁶ The applicants confirm that they have no affiliates that provide telecommunications services.

Applicants request approval of a transfer of control, pursuant to an Asset Purchase Agreement (the "Agreement"). Under the Agreement, Telrite will acquire substantially all of the assets of OneStar, including but not limited to OneStar's customer accounts, pursuant to an order of the United States Bankruptcy Court, Southern District of Indiana, Evansville, Division.

The Applicants assert that the proposed transfer of control is in the public interest because it will ensure the continuation of high quality, uninterrupted service to all customers currently served by OneStar. The Applicants state that the proposed transfer of control will also create a heightened level of operating efficiency which generally will serve to enhance the overall capacity of Telrite to compete in the marketplace and to provide telecommunications services for a greater number of consumers at competitive rates.

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Interested parties may file comments on or before January 3, 2004 and reply comments on or before January 10, 2004.7 Unless otherwise notified by the Commission, Applicants are permitted to transfer assets on the 31st day after the date of this notice. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. See Electronic Filing of Documents in Rulemaking Proceedings, 63 Fed. Reg. 24121 (1998).

Comments filed through the ECFS can be sent as an electronic file via the Internet to http://www.fcc.gov/e-file/ecfs.html. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters

⁵ Amendment Letter at 2.

Id.

See 47 C.F.R. § 63.03(a).

Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send e-mail to ecfs@fcc.gov, and should include the following words in the subject line "get form <your e-mail address>." A sample form and directions will be sent in reply.

Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Natek, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, SW, Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

In addition, one copy of each pleading must be sent to each of the following:

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, DC 20554, www.bcpiweb.com; phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C212, Washington, D.C. 20554; e-mail: tracey.wilson-parker@fcc.gov;
- (3) Kimberly Jackson, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C142, Washington, D.C. 20554; e-mail: kimberly.jackson@fcc.gov;
- (4) Terri Natoli, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-A322, Washington, D.C. 20554; e-mail: terri.natoli@fcc.gov;
- (5) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-B544, Washington, D.C. 20554; email: susan.o'connell@fcc.gov; and
- (6) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: james.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW, Room

CY-A257, Washington, DC, 20554. They may also be purchased from the Commission's duplicating contractor, the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail www.bcpiweb.com.

For further information, please contact Tracey Wilson, at (202) 418-1394, or Kimberly Jackson at (202) 418-7393.